

**NTIA AND RUS JOINT REQUEST FOR INFORMATION**  
**COMMENTS OF**  
**TEXAS STATEWIDE TELEPHONE COOPERATIVE, INC.**

**Broadband Initiatives Program and**  
**Broadband Technology Opportunities Program**

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**Introduction and Executive Summary**

Texas Statewide Telephone Cooperative, Inc. (TSTCI) offers these comments on the issues outlined in the joint request for information by the National Telecommunications and Information Administration (NTIA) and Rural Utilities Service (RUS) (Joint Request) regarding the implementation of the Broadband Initiatives Program (BIP) and the Broadband Technology Opportunities Program (BTOP).

TSTCI is an association representing 38 small, rural incumbent telephone companies and cooperatives in Texas (see Attachment 1). Although these small companies and cooperatives serve less than 3% of Texas consumers, their service areas cover over one-third of Texas' geographic area. The overall density of the TSTCI member companies' service areas ranges from a low of 0.8 customers per route mile up to 6 customers per route mile.

TSTCI and its member companies have a significant interest in the changes to BIP and BTOP that will be made for the second round of funding. TSTCI welcomes the opportunity to comment on some of the difficulties applicants faced in the first round and hopes RUS and NTIA will consider the issues raised here in advance of the release of the second round NOFA.

TSTCI recommends five substantive changes to the BIP and BTOP programs related to the application and review process.

1. RUS and NTIA should attempt to integrate the online mapping tool into the application intake system in order to eliminate the need for applicants to manually enter details about their proposed funded services areas into their applications.
2. The online application intake system should allow BTOP applicants to propose public computing centers and sustainable adoption projects alongside infrastructure projects. Combining these applications would eliminate redundancy for applicants proposing multiple projects or proposing projects with multiple components.
3. The requirement to provide census block level data should be eliminated in the second round NOFA. Because census block numbers are not unique, they have not been helpful in identifying the boundaries of applicants' proposed service areas.

4. Rural service providers should have the opportunity to apply solely or predominantly for grant funds instead of first being required to apply for a loan from RUS. As a result of the first round loan requirement for rural providers, TSTCI believes a number of potential applicants were deterred from requesting funds. While the loan requirement allows for maximum leveraging of funds, it creates difficulties for providers in rural, sparsely-populated areas that might need at least partial grant funding to make their projects viable.
5. Help Desk should be improved for the second round. Wait times for telephone support were excessive, and the support staff members who eventually answered the calls were not adequately trained. For the second round, Help Desk staff should be thoroughly trained on the details of the application process and the functioning of the online application system.

With regard to the policy issues raised by the NOFA, TSTCI believes all proposals should be judged on their merits, and no preference should be given to any particular type of project over any other. With that in mind, TSTCI recommends four additional substantive changes to the BIP and BTOP programs.

1. The definition of “remote” should be modified to be less restrictive. The 50 mile threshold excluded many rural areas that are difficult to serve because they are sparsely populated and quite far from a non-rural area. The rural areas that RUS and NTIA intended to benefit from “remote” designation would be better served by a definition that is capacious enough to include more of these areas.
2. Service providers should continue to have the opportunity to comment on applications in their service areas because they are experts in those areas. Particularly in rural areas, existing service providers can offer valuable information about the barriers to providing services in the area and the array of services already being offered in the area. Applicants should, however, be afforded the opportunity for rebuttal in the due diligence phase of evaluation.
3. In evaluating the cost effectiveness of broadband infrastructure projects, the agencies should consider a services-based bandwidth timeline and a calculation of the Present Worth of Annual Charges (PWAC) to determine the most cost effective method of delivering bandwidth over time. These measures can account for both the amount of

bandwidth that can be delivered to the customer and the life of the equipment, instead of merely relying on the cost per household as the best indication of a project's value.

4. The process for filing responses to applications should be modified to allow more time for those who wish to comment.

TSTCI strongly believes these changes to the BIP and BTOP programs will reduce the costs associated with requesting funds and prevent applicants with worthy projects from being deterred by an arduous application process.

TSTCI appreciates the opportunity to comment on the specific issues described below in accordance with the Joint Request.

## **I. The Application and Review Process**

### ***A. Streamlining the Applications.***

**In what ways should RUS and NTIA streamline the applications to reduce the burden on applicants, while still obtaining the requisite information to fulfill the statutory requirements set forth in the Recovery Act? Should the agencies modify the two-step review process, and if so, how? Should certain attachments be eliminated, and if so, which ones? Should the agencies re-examine the use of a single application for applicants applying to both BIP and BTOP to fund infrastructure projects? How should NTIA link broadband infrastructure, public computer center and sustainable adoption projects through the application process?**

### **TSTCI Response:**

TSTCI believes taking measures to streamline the application process will reduce the applicant costs associated with requesting BIP and BTOP funds. RUS and NTIA should attempt to integrate the online mapping tool into the application intake system in order to eliminate the need for applicants to manually enter details about their proposed funded services areas into their applications. This process created a number of problems for first round applicants. The need to manually enter large amounts of data generated by the mapping tool caused unnecessary errors, which resulted in applicants spending additional time to fill out the application. Also, applicants whose projects covered large areas had difficulty making the census block information generated by the mapping tool fit into the corresponding fields in the application. These problems could be solved by making the service area detail fields in the application auto-populate with data directly from the mapping tool.

The online application intake system should also allow NTIA applicants to propose public computing centers and sustainable adoption projects alongside infrastructure projects. Combining these applications would eliminate redundancy for applicants proposing multiple projects or proposing projects with multiple components. Much of the information requested in the application is about the organization and is the same for each type of project that organization might propose. These applicants would save a great deal of time and effort by entering this information only once.

**1. New Entities.**

**What type of information should RUS and NTIA request from new businesses, particularly those that have been newly created for the purpose of applying for grants under the BIP and BTOP programs? For example, should the agencies eliminate the requirement to provide historical financial statements for recently-created entities?**

**TSTCI Response:**

TSTCI believes recently created entities should submit whatever financial information they have available, as was required in the first round of funding.

**2. Consortiums and Public-Private Partnerships.**

**Similarly, how should the application be revised to reflect the participation of consortiums or public-private partnerships in the application process? Should certain critical information be requested from all members of such groups, in addition to the designated lead applicant, to sufficiently evaluate the application? If so, what type of information should RUS and NTIA request?**

**TSTCI Response:**

Collecting information from a designated lead applicant is sufficient to evaluate applications from consortiums or public-private partnerships.

**3. Specification of Service Areas.**

**The broadband infrastructure application required applicants to submit data on a census block level in order to delineate the proposed funded service areas. Some applicants found this requirement to be burdensome. What level of data collection and documentation should be required of applicants to establish the boundaries of the proposed funded service areas?**

**TSTCI Response:**

The requirement to provide census block level data should be eliminated in the second round NOFA. Census block numbers are not unique to a single geographic area; some first round applicants with large proposed funded service areas had to take additional steps to remove duplicate census block numbers from the data generated by the mapping tool before the online intake system would accept their applications. Because census block numbers are not unique, they have not been helpful in identifying the boundaries of applicants' proposed service areas. The visual representation of the drawn maps has proved sufficient for this purpose.

**4. Relationship between BIP and BTOP.**

**The Recovery Act prohibits a project from receiving funding from NTIA in areas where RUS has funded a project. Section VI.C.1.a.i of the NOFA required that infrastructure applications consisting of proposed funded service areas which are at least 75 percent rural be submitted to and considered under BIP, with the option of additional consideration under BTOP. According to the NOFA, NTIA will not fund such an application unless RUS has declined to fund it. RUS and NTIA are presently reviewing joint applications consistent with the process set forth in the NOFA. Should these kinds of rural infrastructure applications continue to be required to be submitted to RUS or should the agencies permit rural applications to be submitted directly to NTIA, without having to be submitted to RUS as well, and if so, how should NTIA and RUS proceed in a manner that rewards the leveraging of resources and the most efficient use of Federal funds? Are there situations where it is better to give a loan to an applicant as opposed to a grant? Are there applicants for which a loan would not be acceptable, and if so, how should the programs consider them?**

**TSTCI Response:**

The relationship between BIP and BTOP required many rural service providers to first submit their applications through RUS. As a result, these rural applicants were unable to apply solely for grant funds, which TSTCI believes deterred a number of potential applicants from requesting funds. While this allows for maximum leveraging of funds, it creates difficulties for providers in rural, sparsely-populated areas that might need at least partial grant funding to make their projects viable.

***B. Transparency and Confidentiality.***

**Consistent with the Administration's policy and the Recovery Act's objective to ensure greater transparency in government operations, RUS and NTIA are considering whether they should permit greater access, consistent with applicable Federal laws and regulations, to certain applicant information to other applicants,**

**policymakers, and the public, including state and tribal governments. Should the public be given greater access to application data submitted to BIP and BTOP? Which data should be made publicly available and which data should be considered confidential or proprietary? For example, RUS and NTIA tentatively conclude that the application's executive summary should be made publicly available for the second round of funding.**

**TSTCI Response:**

TSTCI believes that requiring additional information to be made public will deter some applicants with worthy projects from requesting funds. Information that was provided as confidential in the first round should remain confidential in the second round of funding.

***C. Outreach and Support.***

**For the initial round of funding, RUS and NTIA provided multiple means of applicant support and outreach, including hosting national workshops and minority outreach seminars, publicly releasing an application guidance manual, posting responses to Frequently Asked Questions on [www.broadbandusa.gov](http://www.broadbandusa.gov), and establishing a Help Desk that fielded thousands of telephone and e-mail inquiries. What method of support and outreach was most effective? What should be done differently in the next round of funding to best assist applicants?**

**TSTCI Response:**

The workshops held across the country by RUS and NTIA were a helpful source of information for applicants, but the subsequent telephone and e-mail support provided by the Help Desk should be improved for the second round. Wait times for telephone support were excessive, and the support staff who eventually answered the calls were not adequately trained. Many staff members were no more familiar with the online application intake system than the applicants themselves, leaving applicants with no way to get their questions answered in some cases. Receiving assistance via e-mail was equally difficult. E-mail responses often did not address the question that was asked, and the form responses merely directed applicants back to [www.broadbandusa.gov](http://www.broadbandusa.gov). Ultimately, some applicants had to rely on personal contacts at one of the agencies in order to get useful answers to their questions. This puts applicants without such contacts at a significant disadvantage. For the second round, Help Desk staff should be thoroughly trained on the details of the application process and the functioning of the online application system.

***D. NTIA Expert Review Process.***

During the first round of funding, NTIA utilized panels of at least three independent reviewers to evaluate BTOP applications. A number of stakeholders have questioned whether this is the most effective approach to evaluating BTOP applications. To further the efficient and expeditious disbursement of BTOP funds, should NTIA continue to rely on unpaid experts as reviewers? Or should we consider using solely Federal or contractor staff?

**TSTCI Response:**

As long as the reviewers are experts qualified to evaluate proposed telecommunications projects, their status as volunteers, staff, or outside consultants is unimportant.

**II. Policy Issues Addressed in the NOFA.**

***A. Funding Priorities and Objectives***

**1. Middle Mile “Comprehensive Community” Projects.**

Should RUS and/or NTIA focus on or limit round 2 funding on projects that will deliver middle mile infrastructure facilities into a group of communities and connect key anchor institutions within those communities? Ensuring that anchor institutions, such as community colleges, schools, libraries, health care facilities, and public safety organizations, have high-speed connectivity to the Internet can contribute to sustainable community growth and prosperity. Such projects also have the potential to stimulate the development of last mile services that would directly reach end users in unserved and underserved areas. Additionally, installing such middle mile facilities could have a transformative impact on community development by driving economic growth.

Should we give priority to those middle mile projects in which there are commitments from last mile service providers to use the middle mile network to serve end users in the community? Should the agencies’ goal be to fund middle mile projects that provide new coverage of the greatest population and geography so that we can be assured that the benefits of broadband are reaching the greatest number of people? Should we target projects that create “comprehensive communities” by installing high capacity middle mile facilities between anchor institutions that bring essential health, medical, and educational services to citizens that they may not have today? Should certain institutions, such as educational facilities, be given greater weight to reflect their impact on economic development or a greater need or use for the broadband services? If so, what specific information should RUS and NTIA request from these institutions?

To the extent that RUS and NTIA do focus the remaining funds on “comprehensive community” projects, what attributes should the agencies be looking for in such projects? For example, are they most sustainable to the extent that they are public-private partnerships through which the interests of the community are fully represented? Should we consider the number of existing community anchor institutions that intend to connect to the middle mile network as well as the number of unserved or underserved communities and vulnerable



**populations (i.e., elderly, low-income, minority) that it will cover? How should RUS and NTIA encourage appropriate levels of non-Federal (State, local and private) matching funds to be contributed so that the potential of Federal funds is maximized? In addition, should we consider the extent of the geographic footprint as well as any overlap with existing service providers?**

**TSTCI Response:**

TSTCI believes all proposed projects should be judged on their merits and their potential to advance the goals of the BIP and BTOP programs. No preference should be given for any particular type of project over others.

**2. Economic Development**

**Should RUS and/or NTIA allocate a portion of the remaining funds available under the BIP and BTOP programs to promote a regional economic development approach to broadband deployment? This option would focus the Federal broadband investment on communities that have worked together on a regional basis to develop an economic development plan. It would encompass a strategy for broadband deployment, and would link how various economic sectors benefit from broadband opportunities. Such a regional approach would seek to ensure that communities have the “buy-in” and the capacity, and the long-term vision to maximize the benefits of broadband deployment. Using this option, NTIA and RUS could target funding toward both the short term stimulus of project construction and the region’s longer term development of sustainable growth and quality jobs. For instance, rather than look at broadband investments in both rural and urban communities as stand-alone actions, should RUS and NTIA seek applications for projects that would systematically link broadband deployment to a variety of complementary economic actions, such as workforce training or entrepreneurial development, through targeted regional economic development strategic plans? Should funds be targeted toward areas, either urban or rural, with innovative economic strategies, or those suffering exceptional economic hardship? Should states or regions with high unemployment rates be specifically targeted for funding?**

**TSTCI Response:**

See response to section II. A. 1.

**3. Targeted Populations**

**Should RUS and NTIA allocate a portion of the remaining funds to specific population groups? For example, should the agencies revise elements of the BIP and BTOP programs to ensure that tribal entities, or entities proposing to serve tribal lands, have sufficient resources to provide these historically unserved and underserved areas with access to broadband service? Similarly, should public housing authorities be specifically targeted for funding as entities serving low-**

income populations that have traditionally been unserved or underserved by broadband service? How can funds for Public Computer Centers and Sustainable Broadband Adoption projects be targeted to increase broadband access and use among vulnerable populations? Should NTIA shift more BTOP funds into public computer centers than is required by the Recovery Act? In what ways would this type of targeted allocation of funding resources best be accomplished under the statutory requirements of each program? Should libraries be targeted as sites for public computer access, and if so, how would BTOP funding interact with e-Rate funding provided through the Schools and Libraries program?

**TSTCI Response:**

See response to section II. A. 1.

**4. Other Changes**

To the extent that we do target the funds to a particular type of project or funding proposal, how if at all, should we modify our evaluation criteria? How should we modify the application to accommodate these types of targeted funding proposals? For example, should any steps be undertaken to adjust applications for satellite systems that provide nationwide service, but are primarily intended to provide access in remote areas and other places not served by landline or wireless systems? Are there any other mechanisms the agencies should be exploring to ensure remaining funds have the broadest benefit? How might the agencies best leverage existing broadband infrastructure to reach currently unserved and underserved areas? Are there practical means to ensure that subsidies are appropriately tailored to each business case? For example, should the agencies examine applicant cost and revenue estimates, and adjust the required match accordingly? Could elements of an auction-like approach be developed for a particular class of applications or region? If so, how would the agencies implement such an approach in a manner that is practical within program constraints and timeliness?

**TSTCI Response:**

See response to section II. A. 1.

***B. Program Definitions***

Section III of the NOFA describes several key definitions applicable to BIP and BTOP, such as “unserved area,” “underserved area,” and “broadband.” These definitions were among the most commented upon aspects of the NOFA.

For example, a number of applicants have suggested that the definitions of unserved and underserved are unclear and overly restrictive; that they kept many worthy projects, particularly in urban areas, from being eligible for support; that there was insufficient time to conduct the surveys or market analyses needed to determine the status of a particular census block area; and that they discouraged applicants from leveraging private investment for infrastructure projects. In what

**ways should these definitions be revised? Should they be modified to include a specific factor relating to the affordability of broadband services or the socioeconomic makeup of a given defined service area, and if so, how should such factors be measured? Should the agencies adopt more objective and readily verifiable measures, and if so, what would they be? How should satellite-based proposals be evaluated against these criteria?**

**TSTCI Response:**

TSTCI does not take issue with the definitions of unserved and underserved as outlined in the first NOFA.

**With respect to the definition of broadband, some stakeholders criticized the speed thresholds that were adopted and some argued that they were inadequate to support many advanced broadband applications, especially the needs of large institutional users. Should the definition of broadband include a higher speed and should the speeds relate to the types of projects? Should the agencies incorporate actual speeds into the definition of broadband and forego using advertised speeds? If so, how should actual speeds be reliably and consistently measured?**

**TSTCI Response:**

As with the first round NOFA, different thresholds should apply to different technologies.

**The NOFA defines “remote area” as an unserved, rural area 50 miles from the limits of a non-rural area. The rural remote concept aims to address the prohibitive costs associated with broadband deployment in communities that are small in size and substantially distant from urban areas and their resources. The definition adopted in the NOFA was intended to ensure that the most isolated, high-cost to serve, unserved communities could receive the benefit of up to 100 percent grant financing. The geographic factor upon which an area was determined to be eligible was its distance from non-rural area; in this case, 50 miles. RUS heard from many interested parties, including members of Congress, on this definition. Many believed it was overly restrictive, thereby eliminating too many areas that were not 50 miles or more from a non-rural area but were nonetheless a fair distance away and unserved. Comment is requested on the definition of remote area, as well as whether this concept should be a factor in determining award decisions. Should factors other than distance be considered, such as income levels, geographic barriers, and population densities?**

**TSTCI Response:**

The definition of “remote” should be less restrictive; the 50 mile threshold excluded too many isolated, needy areas. A more useful definition could employ a threshold using some

distance shorter than 50 miles combined with a threshold for the population density of the project area.

***C. Public Notice of Service Areas***

**Section VII.B of the NOFA allowed for existing broadband service providers to comment on the applicants' assertions that their proposed funded service areas are unserved or underserved. Some stakeholders have suggested that this rule may reduce incentives for applicants to participate in the BIP and BTOP programs because of the risk that their applications may be disqualified from funding on the basis of information submitted by existing broadband service providers that they have no means to substantiate or rebut. How should the public notice process be refined to address this concern? What alternative verification methods could be established that would be fair to the applicant and the entity questioning the applicant's service area? Should the public notice process be superseded where data becomes available through the State Broadband Data and Development Grant Program that may be used to verify unserved and underserved areas? What type of information should be collected from the entity questioning the service area and what should be publicly disclosed?**

**TSTCI Response:**

TSTCI contends that it is important for existing broadband service providers to have an opportunity to provide comment on the applications and to provide valuable information and feedback "from the field" to NTIA and RUS on the issues relevant to their service areas. For example, many of the applications were for service areas in multiple states or nationwide. In these cases, it is doubtful that the applicants had as thorough a knowledge of the service areas requested and the existing services provided in those areas as the existing providers. It is very likely that the applicants lack first hand knowledge of every part of the service area requested. Existing provider comment and feedback is especially important for evaluating applications for the rural areas and rural communities served by the TSTCI member companies.

Probably only the existing providers can tell the BIP/BTOP application reviewers what are the real issues impeding broadband service in their areas. Sometimes the main issue is a lack of middle mile providers at reasonable rates. RUS and NTIA need to know that middle mile provision is an issue when evaluating applications for last mile facilities in these areas. Sometimes there may already be several providers offering broadband in the area. Again RUS and NTIA need this knowledge to evaluate the applications. Another issue is the application may pose a threat to existing providers by "cherry picking" the service area. This is another issue reviewers need to be aware of.

TSTCI supports providing applicants an opportunity to rebut the information provided by the responders; however, applicants can do that in the due diligence phase of evaluation. TSTCI contends that the lack of an opportunity to respond to existing provider responses is not a valid reason to deter an applicant from applying for stimulus funding. In absence of an opportunity for applicants to respond to the filed responses, the reviewers need to evaluate the filed responses with the same care and consideration given to the applications. If the comments filed by existing providers are questionable, reviewers can easily contact the responders and request they provide documentation for their comments or data or question the existing providers on their filed comments.

TSTCI maintains that existing provider responses provide a valuable resource to the reviewers and help facilitate the most effective distribution of stimulus funds. If applicants are discouraged from applying for stimulus funding because of the potential responses from existing providers, TSTCI contends it is likely these applications lack merit to begin with.

***D. Interconnection and Nondiscrimination Requirements***

**Section V.C.2.c of the NOFA establishes the nondiscrimination and interconnection requirements. These requirements generated a substantial amount of debate among applicants and other stakeholders. Although RUS and NTIA are not inclined to make significant changes to the interconnection and nondiscrimination requirements, are there any minor adjustments to these requirements necessary? In particular, should they continue to be applied to all types of infrastructure projects regardless of the nature of the entity? Should the scope of the reasonable network management and managed services exceptions be modified, and if so, in what way? Is it necessary to clarify the term “interconnection” or the extent of the interconnection obligation?**

**TSTCI Response:**

TSTCI does not disagree with the existing requirements in the NOFA on interconnection and nondiscrimination.

***E. Sale of Project Assets***

**Section IX.C.2 of the NOFA generally prohibits the sale or lease of award-funded broadband facilities, unless the sale or lease meets certain conditions. Specifically, the agencies may approve a sale or lease if it is for adequate consideration, the purchaser agrees to fulfill the terms and conditions relating to the project, and either the applicant includes the proposed sale or lease in its application as part of its original request for grant funds or the agencies waive this provision for any sale or lease occurring after the tenth year from the date of the grant, loan or loan/grant**

**award is issued. Some stakeholders have suggested that this rule is overly restrictive and is a barrier to participation in BIP and BTOP. Should this section be revised to adopt a more flexible approach toward awardee mergers, consistent with USDA and DOC regulations, while still ensuring that awardees are not receiving unjust enrichment from the sale of award-funded assets for profit?**

**TSTCI Response:**

TSTCI does not disagree with existing NOFA provisions on the sale or lease of award-funded facilities; however, consistency with existing RUS loan regulations would be helpful to our member companies, many of whom are RUS borrowers.

***F. Cost Effectiveness***

**How should NTIA and RUS assess the cost effectiveness or cost reasonableness of a particular project? For example, in the context of infrastructure projects, how should we consider whether the costs of deploying broadband facilities are excessive? In BTOP, one of the Project Benefits that NTIA considers is “cost effectiveness,” when scoring an application. This is measured based on the ratio of the total cost of the project to households passed. However, such costs will necessarily vary based on the particular circumstances of a proposed project. For example, extremely rural companies typically have much higher construction costs than more densely populated ones. Also, geographic areas that experience extreme weather or are characterized by difficult terrain will dictate higher per household costs. Similarly, the technology that is chosen to provide the service (e.g., fiber vs. wireless) would influence the costs. And finally, smaller companies as measured by subscriber count would necessarily have a higher cost per subscriber than larger companies. How should the agencies take these various factors into consideration when evaluating broadband infrastructure projects? What evidence should we require from applicants to ensure that unnecessary costs have not been added to the project?**

**TSTCI Response:**

In evaluating broadband infrastructure projects, the agencies should consider a services-based bandwidth timeline and a calculation of the Present Worth of Annual Charges (PWAC) to determine the most cost effective method of delivering bandwidth over time. These measures can account for both the amount of bandwidth that can be delivered to the customer and the life of the equipment, instead of merely relying on the cost per household as the best indication of a project’s value. For example, wireless solutions might seem cheaper to implement on a per household basis. However, if the equipment has a shorter lifespan and smaller bandwidth capability than fiber to the premises (FTTP), then the fiber solution might actually be cheaper in the long run and would therefore be a better investment of BIP or BTOP funds. Also, when you account for the

long-term, recurring backhaul and transport costs, wireless might become even less attractive from a value perspective.

***G. Other***

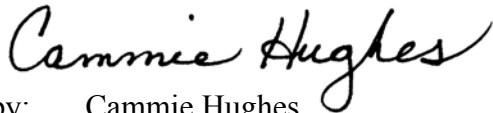
**What other substantive changes to the NOFA should RUS and NTIA consider that would encourage applicant participation, enhance the programs, and satisfy the goals of the Recovery Act?**

**TSTCI Response:**

TSTCI believes that responses from existing providers are an integral part of evaluating the applications. There are a few changes that can improve the process for filing responses. First, it would be helpful to have more time to file responses. Second, the mapping tool provided on the website proved very cumbersome and ineffective; modifications to that tool and streamlining of the information it provides in relationship to the application intake system would simplify the process and make it more effective for applicants.

Respectfully submitted,

Texas Statewide Telephone Cooperative, Inc.

A handwritten signature in black ink that reads "Cammie Hughes". The signature is written in a cursive, flowing style.

by: Cammie Hughes  
Authorized Representative

November 25, 2009

**TEXAS STATEWIDE TELEPHONE COOPERATIVE, INC.**

Alenco Communications, Inc.  
Big Bend Telephone Company, Inc.  
Brazos Telecommunications, Inc.  
Brazos Telephone Cooperative, Inc.  
Cameron Telephone Company  
Cap Rock Telephone Cooperative, Inc.  
Central Texas Telephone Cooperative, Inc.  
Coleman County Telephone Cooperative, Inc.  
Colorado Valley Telephone Cooperative, Inc.  
Community Telephone Company, Inc.  
Cumby Telephone Cooperative, Inc.  
Dell Telephone Cooperative, Inc.  
E.N.M.R. Telephone Cooperative, Inc.  
Eastex Telephone Cooperative, Inc.  
Electra Telephone Company  
Etex Telephone Cooperative, Inc.  
Five Area Telephone Cooperative, Inc.  
Ganado Telephone Company, Inc.  
Hill Country Telephone Cooperative, Inc.  
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Lake Livingston Telephone Company  
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West Plains Telecommunications, Inc.  
West Texas Rural Tel. Cooperative, Inc.  
XIT Rural Telephone Cooperative, Inc.